
Annual Performance Report

Project/Programme title: Basin Approach for Livelihood Sustainability through
Adaptation Strategies (BALSAS) (FP236)

Accredited Entity: International Fund for Agricultural Development (IFAD)

Date of Report submission: 15 April 2026

Version number V1.0



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RATIONALE

This report layout is designed to support the drafting of a structured report that assesses, evaluates, documents, and communicates the progress on Funding Proposal (FP) implementation and on its associated Funded Activity Agreement (FAA). The layout aims to provide a clear and comprehensive understanding of key objectives, progress, and risks, drawing on project implementation related data provided by Accredited Entities (AEs). Considering the Green Climate Fund's (GCF) evolving strategic direction toward a Risk-Based Approach, the report is intended to:

- Track quantitative and qualitative progress of the project implementation.
- Highlight critical findings and emerging trends.
- Identify risks and propose actionable mitigation strategies.
- Support evidence-based decision-making.
- Promote transparency and accountability.
- Align with strategic and regulatory frameworks.
- Serve as a foundation for AE engagement on project performance

METHODOLOGY

The report's layout mirrors, to the extent possible, the structure of the Funding Proposal (FP) to maintain coherence with the presented information. However, the FP and the Report differ in scope and strategic intent; thus, while the FP serves a functional role in informing the Report, it does not dictate a strictly parallel structure.

A. PROJECT DATA (Prefilled where possible)				
Should any information/data prefilled from Section A.1 to Section A.12 be incorrect or require updating, please inform GCF's Project Lead of appropriate corrective action.				
A.1. Date of report submission		15 April 2026		
A.2. Project or programme	Project	A.3. Sector	Public	
A.4. Total Financing (GCF + Cofinance)	GCF Financing		Mill. USD 39.5	
	Grants		Mill. USD 19.5	
	SeniorLoans		Mill. USD 20.0	
	Co-Financing		Mill. USD 51.5	
	Grants		Mill. USD 13.0	
	SeniorLoans		Mill. USD 38.5	
	Total Financing		Mill. USD 91.0	
A.5. Total GCF funding disbursed to this date	NA (draft)			
A.6. Implementation period	From NA to NA			
A.7. ESS Category (Refers to GCF revised <u>Environmental and Social Policy</u> and GCF ESS Standards to assess your FP category.)			Category B	
A.8. Executing Entity Information				
Full legal name	Country of registration (or, for intl orgs, country of HQ)	Entity type	Role in project	Focal Point(s) and email(s)
Nacional Financiera, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo	Mexico	Public sector – Government (which may be acting through a ministry or department)	Financial management - IFIs	Mr. Iván Cornejo; ivcornejo@nafin.gob.mx
National Forestry Commission of México	Mexico	Public sector – Government (which may be acting through a ministry or department)	Lead Executing Entity	Mr. Sergio Graf; directorgeneral@conafor.gob.mx.
Ministry of Finance (Secretaría de Hacienda y Crédito Público)	Mexico	Public sector – Government (which may be acting through a ministry or department)	NDA	Ms. Regina Rosales Talamas; regina_rosales@hacienda.gob.mx

A.9. Co-Financier information				
Full legal name	Country of registration <i>(or, for intl orgs, country of HQ)</i>	Focal Point(s) and email(s)	Ownership Type	Beneficial Owner(s)
IFAD	Italy	Juan Carlos Mendoza juancarlos.mendoza@ifad.org Pierre-Yves Guedez p.guedez@ifad.org rene.castro@ifad.org	UN Agency	UN Agency
GoM / CONAFOR	Mexico	Mr. Sergio Graf; directorgeneral@conafor.gob.mx.	Government	Government

A.10. Alignment with country NDCs & NAP <i>(NB Only populate if applicable, e.g., if your project/programme specifically contributes to a country's NDC or NAP target/s)</i>				
Country	Date of NDC/ NAP submission	NDC/ NAP objective	Brief description of project's alignment with NDC/ NAP objectives	Percentage of target met with proposed project. Beneficial owner(s)
Mexico	17 November 2025	Mexico's NDC 3.0 aims to establish a clear and binding pathway for reducing national greenhouse gas emissions by 2035, introducing for the first time an absolute emissions cap that covers all gases and economic sectors. Under this commitment, Mexico sets the goal of limiting its emissions to 364–404 MtCO ₂ e unconditionally and 332–363 MtCO ₂ e with international support by 2035.	The project directly supports Mexico's NDC by strengthening adaptation and mitigation actions in the land use and forestry sectors. It enhances community and ecosystem resilience through ecosystem based adaptation, climate responsive land management, and improved water governance, while reducing emissions via reforestation, sustainable forest management, and climate smart agroforestry and silvopastoral systems. By integrating climate criteria into government incentive programs, the project operationalizes NDC commitments and advances national strategies such as ENAREDD+ and the National Forestry Program	0%

A.11. Estimated duration of impact	
A.12 Report to be shared with NDA	Yes ☐ No ☐

B. EXECUTIVE SUMMARY

Should any information/data prefilled in Section “B” be incorrect or require updating, please inform GCF’s Project Lead for appropriate corrective action.

B.1. Summary

The project’s goal is to enable community level investment in adaptation and mitigation by transforming rural development incentives to apply climate criteria, conserve forest resources, and strengthen local institutions and capacities, bringing 324,578 ha under sustainable management, conservation or restoration in the Balsas Basin through a bottom up, inclusive approach (women, youth, Indigenous) designed for national replication.

The fund level impacts include: (i) enhanced climate resilience for 201,867 direct and 3,107,344 indirect beneficiaries—prioritizing women, youth and Indigenous peoples—through a bottom-up, incentive based model; (ii) 324,578 hectares brought under sustainable, climate resilient management, conservation or restoration; and (iii) lifetime mitigation of ~3,926,876 tCO₂e via climate sensitive restoration, adaptive silviculture, agroforestry/silvopastoral systems and performance based PES Payment for Environmental Services (PSA in Spanish); delivered as a crosscutting programme (~80% adaptation / 20% mitigation) aligned with GCF Strategic Plan Target 5 (2024–2027).

The project outcomes comprise: (i) programmes and plans that integrate climatechange criteria—strengthening interinstitutional coordination, participatory investment planning and local capacities; (ii) forest landscapes sustainably managed and better adapted to climate change—through PSA PES, climates mart restoration, climate adapted plantations and inclusive value chains; and (iii) timely, relevant climate information for risk management and disaster prevention—via climate information/early warning and strengthened monitoring, reporting and knowledge management.

CONAFOR leads operations; NAFIN and Hacienda channel funds; IFAD acts as accredited entity and leverages prior GCF experience to strengthen partners and deliver innovative, community centred solutions.

C. RESULTS AND IMPACTS

C.1. Overall Summary of the Project Progress

(This section provides a narrative report summarizing the overall progress of the implementation status of the funded activity progress during the reporting period. 1,500 words)

Outcome 1: The project strengthened enabling conditions for climate informed targeting and inclusion. Committed and priority intervention areas were defined to concentrate implementation and sequencing. Committed areas are those prioritized because of their high level of vulnerability and where the GCF grant will be implemented. Prioritized areas are those with ongoing government support whose activities will be replicated in the Committed areas. It also advanced interinstitutional coordination under the federal umbrella for the Balsas region and operationalized climate objectives through sector instruments. Women's participation in territorial processes reached 34.6% (youth 5.8%).

Output 1.1: During 2025, coordination foundations were laid for project governance: the intervention geography was refined to 10 committed + 11 priority areas; the model for Regional Committees for the Integrated Management of the Territory (CRMIT in Spanish) platforms was prepared; and climate criteria were reinforced through institutional instruments, a sector gender/inclusion strategy (2025–2030), and additional coordination/operational instruments. These steps establish the structures needed to embed climate and inclusion criteria in annual programming and future multiyear investment planning.

Activity 1.1.1.: CONAFOR advanced the transition from prior platforms to the CRMIT model by completing the territorial focalization (10 committed/11 priority areas) and preparing the CRMIT preamble through planned socialization workshops. These actions provide the operational footprint and governance architecture for POEM and investment planning activities to follow.

Activity 1.1.2. Agree on priority intervention areas at the sub and micro-basin level. Women's participation in territorial planning processes reached 34.6%, supporting the project's inclusion objectives; youth participation was 5.8%. While CRMITS are not yet operational, these 2025 planning processes provide the baseline participation level that CONAFOR aims to maintain (and improve) across committees and microbasin priority setting.

Activity 1.1.3: Multisector coordination was strengthened through the establishment of the Comisión General Lázaro Cárdenas del Río and the Programa Plan General Lázaro Cárdenas 2025–2030, involving 8 federal states and subregional coordination arrangements. Project partner institutions are part of this umbrella mechanism, providing an enabling platform ahead of the formal setup of the Project's High Level Steering Committee and Technical Committee, planned for 2026.

Activity 1.1.4: CONAFOR operationalized climate adaptation criteria by embedding mitigation/adaptation objectives in the 2025 Operating Rules (ROP) of the Desarrollo Forestal Sustentable para el Bienestar programme, including a Balsas regional call and strengthened inclusion measures (e.g., care related affirmative actions up to 20% within women's productive projects).

Output 1.2: The project completed preparatory work to enable participatory, climate informed planning in 2026 onward: the campaign approach for calls for proposals was scoped, and an internal multicoordination working group was established to recruit experts and develop Microbasins Ecological Management Plans (POEM in Spanish) and multiyear investment instruments in the committed areas. These steps align future investment prioritization with climate vulnerability and inclusion considerations.

Activity 1.2.1: Preparatory steps were completed to launch an outreach campaign focused on women, youth, and vulnerable groups. The campaign will disseminate grant supported activities, Rules of Operation, and specific calls for proposals.

Activity 1.2.2: CONAFOR set up the internal working arrangements and outlined the methodological approach for **POEM** and linked investment planning, prioritizing the committed areas and inclusive participation. The 2025 year focused on preparation and institutional coordination.

Output 1.3: 35 extensionists/promoters were trained during the year. Brigade and facilitator support expanded significantly. Institutional field capacity was strengthened by hiring two Regional Operational Liaisons to support CONAFOR State Representative Offices (OREs in Spanish) and improve territorial delivery.

Activity 1.3.1: CONAFOR trained 35 rural extensionists/promoters and territorial actors in project related themes to strengthen technical and organizational capacities for adaptive management of forest landscapes.

Activity 1.3.2: CONAFOR supported the deployment of 568 brigade members (including 125 women and 237 youth) across: Fire Management (184), Forest Health (198), and Community Forest Management (186). In 2025, a proposal was finalized for women-led Climate Change Resilience Brigades, primarily composed of young women, with tailored training.

Activity 1.3.3: Field operational capacity was strengthened through hiring two Regional Operational Liaisons for Michoacán and Oaxaca to support ORE delivery, provide technical assistance, and help develop investment proposals aligned with CONAFOR and grant resources.

Outcome 2: The project expanded climate resilient landscape investments through different modalities of Payment for Environmental service (PES), restoration, plantations and value chain support. PES remains the backbone mechanism for maintaining ecosystem services and supporting community defined climate adaptation priorities.

Output 2.1: PES implementation scaled as a multiyear, EbA aligned mechanism: 131 supports were assigned covering 95,193.23 ha under five year conservation commitments defined by beneficiaries. PSA concurrent financing efforts continued (PSA plus private or state funds), including maintenance of an operational agreement with Oaxaca's SEFADER (reported as ongoing).

Activity 2.1.1: CONAFOR assigned resources to 131 supports (51 communities, 74 ejidos, 5 smallholders, 1 co-owner) covering 95,193.23 ha under five-year conservation plans. The program continued seeking local partners for additional concurrent funds and kept the Oaxaca SEFADER collaboration active to allowing for a longer financial support period complement PES implementation to communities.

Output 2.2: Restoration and Commercial Forest and agroforestry plantations adapted to climate change support advanced climate resilient production systems. Restoration financed 57 projects (multiyear approach) for 2,550.5 ha and piloted "productive restoration". 31 community projects were supported covering 847.5 ha for establishment or maintenance.

Activity 2.2.1: 57 restoration supports were assigned covering 2,550.5 ha. The year also operationalized "productive restoration" (silvopastoral/agroforestry modalities) to reduce degradation and deforestation drivers in extensive grazing systems. A dedicated regional call for restoration productive in dry forests was prepared late 2025.

Activity 2.2.2: 31 plantation supports were granted across 847.5 ha for establishment and/or maintenance, strengthening climate resilient forest production. Implementation benefited from strategic emphasis in project states and was reinforced by regional priorities (e.g., Plan Michoacán).

Output 2.3: Value chain strengthening advanced through training and organizational support. 187 people received training in production practices/technologies (97 women). 31 rural organizations/ejidos/communities received support for supply, industrialization and business strengthening (7 women led). Financial inclusion actions expanded (e.g., "Capital Semilla" launched in 2025; business linkage events supported). Preparation continued for food security support design and community forest inventory brigades, both scheduled to start implementation in 2026.

Activity 2.3.1: 187 people were trained in production practices/technologies (97 women). The project also supported 31 rural organizations implementing productive projects in supply, industrialization and business strengthening (7 women led). Complementary actions advanced inclusion finance (e.g., capital seed modality) and commercial linkages through business meetings.

Activity 2.3.2: The project focused on institutional preparation: an internal cross-coordination working group was established to define delivery modalities and targeting parameters.

Activity 2.3.3: CONAFOR defined the technical and administrative guidelines for contracting community brigades to measure monitor plots of the National System of Forest Information (INFyS), enabling improved emission/removal factors and local employment. Identification of eligible ejidos/communities with technical capacity continued.

Outcome 3: The project progressed from concept to readiness for climate information systems: it completed conceptual design work for a climate risk management platform and drafted collaboration arrangements with CENAPRED. CONAFOR analyzed and scoped upgrades for Forest Fire Prediction and Prevention (SPPIF) and Forest Phytosanitary Surveillance (SIVICOFF) Systems and identified Measurement, Reporting and Verification System (MRV) staffing needs, embedding them in AWPB 2026. Safeguards management advanced through completion of the harmonized PGAS SECAP/GCFFVC matrix and recategorization work.

Output 3.1: Enabling work was completed for early warning and monitoring: conceptual design and governance for the climate risk platform were advanced; SPPIF/SIVICOFF improvement needs were assessed and translated into investment portfolios and planned consultancies. MRV resource needs were identified to maintain specialized capacity; and safeguards monitoring was strengthened via the finalized safeguards matrix and risk recategorization for ROP modalities.

Activity 3.1.1: The project completed conceptual design and defined the intended use of an integrated climate risk management system for vulnerable forest ecosystems. A draft collaboration agreement with CENAPRED was developed and technically reviewed, positioning the project to begin Phase 1 development in 2026.

Activity 3.1.2: CONAFOR analysed both systems, identified upgrades, and prepared investment portfolios for equipment (forest health) and consultancies (fire prediction), captured in AWPB 2026. Planned improvements include user interface

upgrades and downloadable information sheets for SPPIF, and drone enabled field processing plus a citizen reporting app (planned Sept 2026) for SIVICOFF, with future training/diffusion in committed areas.

Activity 3.1.3: CONAFOR assessed MRV system needs and concluded that priority gaps relate to sustaining specialized staff whose funding sources are ending.

Activity 3.1.4: The project completed harmonization of safeguards requirements (GCF, IFAD), including defined mitigation measures, verification means and responsible areas within CONAFOR. A reevaluation of risk categorization for ROP modalities was initiated, strengthening compliance monitoring ahead of scaled grant implementation

Output 3.2: Groundwork for knowledge, learning, and M&E was laid in 2025

Activity 3.2.1: The project agreed the sequencing for knowledge management: preparation of an institutional KM strategy that will underpin the project specific plan and the production of materials.

Activity 3.2.2. Following the GCF startup workshop and IFAD implementation support mission, the project agreed to operationalize SSCTTC in 2026.

Activity 3.2.3: Project delivered the Draft M&E Plan to IFAD late November, including standardized indicator fiches (definition, formula, unit, baseline, target, sources, frequency). In 2025, ToR for the baseline study were technically developed.

C.2. Performance against the Funding Proposal Logical Framework Indicators

For each of the indicators please report only the 'annual value' for the reporting year; this means reporting solely the values achieved from January 1st, 2025, to December 31st, 2025. The "cumulative value" will automatically be updated by the system by aggregating reported annual values since project FAA effectiveness.

Please ensure that targets are clearly defined and reported using the following categories:

- *Midterm Target: The results to be achieved by the midpoint of implementation.*
- *Final Target: The results to be achieved by the conclusion of project or programme implementation.*
- *Lifetime Target: The total results expected over the entire operational period of the project or programme.*

Note that the baseline, midterm, final and lifetime targets will be prefilled based on your previous Annual Performance Report and/or Funding Proposal. It is imperative that you carefully review, verify and update where relevant.

Should the project be Multicounty, please report the achievement by Country.

Lastly, avoid using commas or periods as thousand separators. Periods should only be used as decimal separators.

For REDD+ Results-Based Payment (RBP) projects, you are only required to report on the progress of activities.

Should any prefilled information/data in the Logical Framework be incorrect or require updating, please inform GCF's Project Lead for appropriate corrective action.

GCF Outcome Level: Standardized Indicators

PMF/IRMF Results Management Framework

No indicators/questions defined.

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO₂eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered						
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq) as a result of GCF support.						
Unit						Tonnes of CO ₂ -equivalent
Baseline	Target			Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target	Lifetime			
0	726,327	1,644,348	3,926,876	0	0	0

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq) as a result of GCF support, disaggregated by result area.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Result Areas (Mitigation)	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Forestry and land use	0	726,327	726,327	3,926,876	0	0	0

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq), disaggregated by Country.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	726,327	726,327	3,926,876	0	0	0

Forestry and land use

No indicators/questions defined.

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO ₂ emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices					
Provide the total degraded or converted ecosystems under restoration (ha).					
Baseline	Target		Unit		Hectares
	Mid-term	Final target	Previous Year Cumulative Value		Cumulative Value (automatically calculated)
0	162,289	324,478	0		0

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO ₂ emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices						
Provide the total degraded or converted ecosystems under restoration (ha), disaggregated by country.						
Unit						Hectares
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	162,289	324,478	0	0	0

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO ₂ emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices						
Provide the total degraded or converted ecosystems under restoration (ha), disaggregated by land type.						
Unit						Hectares
Disaggregation by: Land Type	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Other	0	162,289	324,478	0	0	0

(IRMF) Supplementary 4.1 Hectares of terrestrial-forest, terrestrial-non-forest, freshwater and coastal-marine areas brought under restoration and or improved ecosystems

Provide the total land areas under sustainable management practices (ha).

Baseline	Target		Unit		Hectares	
	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value	(automatically calculated)
0	96,919	193,838	0	0	0	

(IRMF) Supplementary 4.1 Hectares of terrestrial-forest, terrestrial-non-forest, freshwater and coastal-marine areas brought under restoration and or improved ecosystems

Provide the total land areas under sustainable management practices (ha), disaggregated by type.

Unit						Hectares
Disaggregation by: Land Type	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Other	0	96,919	193,838	0	0	0

(IRMF) Supplementary 4.1 Hectares of terrestrial-forest, terrestrial-non-forest, freshwater and coastal-marine areas brought under restoration and or improved ecosystems

Provide the total land areas under sustainable management practices (ha), disaggregated by country.

Unit						Hectares
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	96,919	193,838	0	0	0

**(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached**

Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by result area.

Unit						No. of Beneficiaries
Disaggregation by: Result Areas (Adaptation)	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Livelihoods of people and communities	0	80,747	201,867	30,927	10,847	41,774
Health and well-being, and food and water security	0	6,888	76,322	0	0	0

**(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached**

Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.

Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	48,448	121,120	21,054	7,017	28,071
Female	0	32,299	80,747	9,873	3,830	13,703

**(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached**

Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.

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Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	80,747	201,867	30,927	10,847	41,774

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by result area.						
Unit						No. of Beneficiaries
Disaggregation by: Result Areas (Adaptation)	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Livelihoods of people and communities	0	1,242,938	3,107,344	3,826,084	265,410	4,091,494

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	650,844	1,627,109	1,984,312	136,730	2,121,042
Female	0	592,094	1,480,235	1,841,172	128,680	1,969,852

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.						
Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	1,242,938	3,107,344	3,826,084	265,410	4,091,494

Livelihoods of people and communities

No indicators/questions defined.

(PMF) A1.2 Number of males and females benefiting from the adoption of diversified, climate resilient livelihood options (including fisheries, agriculture, tourism, etc.) (IRMF) Supplementary 2.1 Beneficiaries (female/male) adopting improved and/or new climate-resilient livelihood options						
Provide the total number of direct beneficiaries (female/male) adopting diversified or strengthened climate-resilient livelihood strategies (including agriculture, fisheries, natural resource-based, and informal livelihoods), disaggregated by gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	18,317	45,793	0	0	0
Female	0	12,212	30,529	0	0	0



(IRMF) Supplementary 2.5 Beneficiaries (female/male) adopting innovations that strengthen climate change resilience						
Provide the total number of direct beneficiaries (female/male) using new or improved climate adaptation technologies or innovations, disaggregated by gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	11,539	28,847	0	0	0
Female	0	7 692	19 231	0	0	0

No indicators/questions defined.

(PMF) A2.2 Number of food secure households (in areas/periods at risk of climate change impacts) (IRMF) Supplementary 2.2 Beneficiaries (female/male) with improved food security	
Provide the total number of direct beneficiaries (female/male) with improved or sustained food security through enhanced physical, social, and economic access to, and utilization of, food and nutrition in areas at risk of climate change, disaggregated by gender.	

Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	348,546	600,061	0	0	0
Female	0	381,342	643,966	0	0	0

Project Specific Indicators							
Indicator	Unit	Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value (automatically calculated)
			Mid-term	Final target			
PDR Policy 3: Number of existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment	No. of Policy Instruments	0	2	6	0	5	5
Percentage of new laws, regulations, policies or strategies existing or proposals that incorporate affirmative action to improve women participation in production of the value chains	Percentage	0	50	50	0	36	36
PDR SF.2.2: % of Households reporting they can influence decision-making of local authorities and project-supported service providers	Percentage	0	15	30	0	0	0
Number of approved participatory Basin, Sub-basins and ethnic territorial plans that incorporate climate change criteria and involvement of more than one federal institutions	Plans	0	8	10	0	0	0
Number of investment plans developed and presented and discussed at the RCIMTs	Plans	0	90	185	0	0	0
PDR Product 1.1 and GP: % of women population participating in updating the multi-annual investment plans	Percentage	0	20	40	0	0	0
Number of people incorporated in Brigades and extension services that	No. of Persons	0	203	508	0	362	362

strengthen the local capacity to improve climate change adaptation, resilience, and inclusiveness							
PDR 2.1. Environmental recovery areas with an increase in the Normalized Difference Vegetation Index (NDVI)	Hectares	0	162,289	324,578	0	0	0
PDR 1.2.4. Percent of households reporting an increase in production	Percentage	0	30	30	0	0	0
PDR 3.1.4. Hectares of land brought under climate-resilient management	Hectares	0	65,370	130,740	0	699,523	699,523
PDR 3.1.1. Groups supported to sustainably manage natural resources and climate-related risks	No. of Entities	0	80	210	0	700	700
Percentage of indigenous communities whose land is managed under climate resilience criteria/aspect/approach	Percentage	0	30	30	0	25	25
PDR 3.1.4. Hectares of land brought under climate-resilient management (Output 2.2)	Hectares	0	65,370	130,740	0	0	0
PDR 1.1.4: Persons trained in production practices and/or technologies	No. of Persons	0	15,614	31,228	0	2,838	2,838
PDR 2.1.3 Number of Rural producers' organizations supported	No. of Entities	0	25	50	0	80	80
% of women that receive additional incomes either from transformation or commercialization from supported value chains	Percentage	0	30	60	0	0	0
GP Supported technologies and work practices that reduce the workload of women	Technologies	0	5	10	0	17	17
PDR 2.1.3 (modified) Number of both organizations and AC that access new financial services	No. of Entities	0	10	25	0	13	13

Based on PDR indicator of the Product 3.1 members of producers, inhabitants and authorities that use the system	No. of Participants	0	723,000	1,807,499	0	0	0
PDR Direct Ef. 3.1: Num. of Local authorities, beneficiaries and institutions who use new or improved early warning systems for climate risks, forest fire and pest (Supplementary 2.4)	No. of Participants	0	6,888	17,220	0	0	0
GP: % of women trained in the use of the integrated climate information system in relation to the total number of producers trained	Percentage	0	25	40	0	0	0
Number of national systems related to fire and forest disease and MRV are improved to provide more reliable and timely information	No. of Early Warning Systems	0	2	3	0	0	0
Number of relevant knowledge products for approved new policies or procedures	No. of Knowledge Products/Resources	0	2	4	0	0	0
Co-benefit 1: Environmental services maintained (Area in hectares within prioritized Basins... where EbA measures are implemented)	Hectares	0	140,000	340,000	0	48,995	48,995
Co-benefit 2: Biodiversity conserved (Area in hectares of natural ecosystems that are part of bio-forestry corridors)	Hectares	0	32,500	65,000	0	22,245	22,245

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
N/A	N/A	N/A	N/A	N/A

C.2.1. Subprojects

Where applicable, include information on sub-projects. For projects and programmes approved until B.31, the logical framework should focus on the mitigation and adaptation Performance Measurement Frameworks (PMF). For projects and programmes approved from B.32 onwards, the logical framework should reflect the Integrated Results Management Framework (IRMF).

Title	Currency	GCF Funds	Co-Financing	Country	GHG Emissions Reduced	Direct Beneficiaries	Indirect Beneficiaries
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

C.3. Compliance with FAA covenants

Yes ☒ No ☐

C.4. Funded Activity Implementation Arrangements in the Following Year

Yes ☐ No ☒

NA

D. RISKS ASSESSMENT AND MANAGEMENT

D.1. Risk and mitigation measures

As stated in the Board-approved "Risk Appetite Statement," a cornerstone of the GCF's Risk Framework is proactive risk management. This includes risk identification, assessment, monitoring, reporting and appropriate mitigation to minimize and respond to risks, both directly and through partners implementing GCF's projects and programmes.

Risk Management Matrix

A risk is the probability of an event to adversely affect the achievement of the project Impact (its objectives, outcomes, and results). "Inherent risk" refers to the level of risk present before any of the mitigating measures are applied. "Residual risk" represents the level of risk after mitigating measures have been implemented.

Please update the project risk matrix by reviewing and revising information for all previously identified risks, and adding any new risks identified during implementation by selecting the adequate Risk Area in the drop-down menu. For each risk, ensure you provide a clear risk description, outline the potential negative consequences, specify the mitigating measures in place, and complete the severity scoring as required.

For the Integrity Risk Area, an annual reporting (and more frequent and prompt reporting if stated in the legal agreements with the GCF) is required for each of its 3 Risk Sub-areas, as GCF has zero tolerance for Prohibited Practices, for SEAH in Fund-related Activities, and for working with parties and engaging in activities subject to sanctions imposed by the United Nations Security Council. The AE reporting obligations under GCF's policies and in the legal agreement(s) with the GCF include but are not limited to requiring AEs to take action to identify, mitigate and promptly disclose to the GCF any real or perceived Conflict of Interest, any alleged or suspected Prohibited Practice, promptly notify the Fund of any material risks or other indications of money laundering and/or financing of terrorism in relation to the Project and promptly take remedial steps in consultation with the GCF.

The AE shall also provide updates on the risks and mitigating measures under the other Risk Areas when changes to already identified risks or new risks have been identified.

Risk scoring:

For likelihood, please rate on a scale from 1 to 5: 1. Unlikely, 2. Possible, 3. Likely, 4. Almost certain, 5. Certain

For impact, please rate on a scale from 1 to 5: 1. Close to none, 2. Low, 3. Medium, 4. High, 5. Catastrophic

The severity of each risk is automatically computed based on the likelihood and impact of the risk.

Risk 1	Annual budget under allocation and timeline misalignment		
Risk Origin	Project Related		
Risk Area	Financial		
Risk Sub-area	N/A		
Description	Low annual project budget allocations and/or the failure to allocate resources in accordance with the project timeline can seriously disrupt disbursements and operations.		
Consequences	Insufficient or mistimed annual budget allocations would create disbursement shortfalls and cashflow gaps, delaying or cancelling procurements and field operations, missing critical seasonal windows (e.g., restoration/PSA/brigades), driving stop start implementation and cost overruns, and causing under delivery against annual IRMF targets and milestones (including MRV and climate information systems)—potentially leading to noncompliance with FAA/APR obligations and jeopardizing overall outcomes and climate impact. If annual budgets are insufficient or released late, the project's delivery engine stalls—creating disbursement and cashflow gaps that delay procurement and field operations. That immediately threatens Outcome 2 by pushing restoration, PSA compliance checks, plantations, and brigade deployment outside seasonal windows, forcing "stop start" implementation, reducing hectares achieved in year, and increasing unit costs—ultimately lowering performance against annual targets.		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	3 - Medium	3 - Low
Mitigation Measure(s)	IFAD's experience in Mexico has shown national systems to be advanced and reliable, which have ensured that the probability of this risk occurring remains low. To further mitigate this risk and ensure that project implementation is not adversely affected, IFAD as AE has worked closely with CONAFOR (EE) to promptly allocate sufficient budgetary resources over the project life cycle.		
Residual Risk	Likelihood	Impact	Severity

	1 - Unlikely	2 - Low	2 - Low
Current Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	2 - Low	2 - Low
Comments	N/A		
Risk 2	Lack of institutional coordination		
Risk Origin	External Factors		
Risk Area	Political		
Risk Sub-area	N/A		
Description	Lack of coordination between the various state agencies involved in project coordination (including CONAFOR, AGRICULTURA, SEMARNAT, BIENESTAR, FIRA and INPI amongst others). This is linked to a lack of platforms to foster dialogue.		
Consequences	Fragmented decision making across agencies would generate inconsistent technical criteria, timelines, and approvals, delaying cosigned instruments (MoUs, operating rules) and clearances; creating duplication or gaps in field operations; and misaligning procurement/eligibility requirements. This would slow disbursements, miss seasonal windows (e.g., restoration/PSA/brigades), reduce beneficiary uptake and cofinance leverage (e.g., FIRA/PROINFOR), and fragment data flows needed for MRV and climate information products. The net effect is schedule slippage, higher transaction costs, reputational exposure, and underdelivery against IRMF outcomes/targets, diminishing overall climate resilience and mitigation results.		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	3 - Medium	9 - Medium High
Mitigation Measure(s)	The risk will also be mitigated through close coordination with and support from the Office for the Coordination of Advisers to the Presidency of the Republic, SHCP and the implementing partners. Compliance will be enforced through the implementation and routine operation of the CRMIT (Comités Regionales de Manejo Integral del Territorio). Each CRMIT session will be minuted and translated into timebound actions with a named owner and due date. Evidence (agendas, minutes, decision log, dashboard) will be filed in the project repository and referenced in the APR, ensuring that CRMIT decisions are both monitorable and consequential.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Comments	N/A		
Risk 3	Economic crises		
Risk Origin	External Factors		
Risk Area	Macro-economics		
Risk Sub-area	N/A		
Description	Economic crises may arise because of disasters (such as the COVID-19 pandemic, which was identified at design).		
Consequences	This could lead to reduced government revenue and thus, limited public investment in initiatives and incentives for rural production or forest landscape conservation activities, including Payment for Environmental Services (PES).		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	3 - Medium	9 - Medium High
Mitigation Measure(s)	In the case of unavoidable disasters, which may result in economic crises, investment in rural production and forest landscape conservation activities will be safeguarded through predetermined integral territorial budgets allocated in advance by CONAFOR. CONAFOR's integral territorial budgets are purposed to support and protect economic development in rural areas, including during economic crises, which will contribute to mitigating this risk.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Comments	N/A		

Risk 4	FOREX		
Risk Origin	External Factors		
Risk Area	Macro-economics		
Risk Sub-area	N/A		
Description	Fluctuations in the exchange range, particularly devaluation of the Mexican peso relative to the US dollar, negatively impact project budget planning, disbursement and spending, which may disrupt the implementation of the project.		
Consequences	A peso devaluation against the US dollar would erode the real value of GCF/IFAD proceeds once converted to MXN, creating budget shortfalls, cashflow gaps, and cost overruns for MXN denominated procurements (works, inputs, field operations). This may force scope reductions. If material peso devaluation occurs, the project risks underdelivering against its objectives by reducing real purchasing power for MXN denominated activities—potentially lowering annual hectares restored/managed, delaying seasonal operations (restoration, PSA, brigades), and reducing beneficiary outreach and value chain investments, which in turn can depress progress toward IRMF results (both adaptation outcomes and the mitigation core indicator, if field execution slips).		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	4 - High	12 - Medium High
Mitigation Measure(s)	The GCF funding will be disbursed in the historically and presumptively more stable currency of the US Dollar, which will mitigate the impact of any devaluation of the Mexican peso relative to the dollar. In its Co-financing agreements, IFAD expects to require CONAFOR to hold this Co-financing in Mexican peso denominated accounts to allow for an onshore account. Although the project's financial model is articulated in US Dollars, most costs will eventually be incurred in Mexican pesos, with currency conversion to take place upon receipt by CONAFOR for project costs. The Operating Manual governing CONAFOR's management of these funds incorporates a strategy to mitigate exchange rate risk. The project financial model also includes a contingency fund that may be available to mitigate the impact of currency fluctuation.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Comments	N/A		
Risk 5	Change in federal government		
Risk Origin	External Factors		
Risk Area	Political		
Risk Sub-area	N/A		
Description	The project may face a change in the Federal Government, shifting priorities in the target region and resulting in varied institutional support during the implementation period		
Consequences	A federal administration change could reorient sector priorities and budgets, causing revisions to operating rules, MOUs and clearances, and turnover of focal points. A change in the federal government would not alter the Balsas project's end state objectives, but it could slow annual delivery in the short term (clearances, focalpoint turnover, operatingrule updates), temporarily affecting outputlevel targets (hectares restored/managed, seasonal operations, beneficiary uptake).		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	3 - Medium	3 - Low
Mitigation Measure(s)	The Balsas Project explicitly aligns with the Plan General Lázaro Cárdenas del Río, an integrated federal initiative in the Balsas region (Oaxaca, Guerrero, Michoacán, Puebla, Morelos and the State of Mexico) that prioritizes community governance, productive systems and local economies, basic infrastructure, and the rights of Indigenous women. In parallel, it is consistent with Mexico's NDC 3.0 (2025), which introduces absolute, economywide mitigation targets for 2035—364–404 MtCO ₂ e (unconditional) and 332–363 MtCO ₂ e (conditional on international support)—and strengthens the adaptation architecture (including expanded axes and a dedicated section on loss and damage), providing a clear national framework for resilience, restoration, and just, inclusive implementation in vulnerable territories like the Balsas Basin.		
Residual Risk	Likelihood	Impact	Severity

	1 - Unlikely	2 - Low	2 - Low
Current Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	2 - Low	2 - Low
Comments	N/A		
Risk 6	Natural hazards		
Risk Origin	External Factors		
Risk Area	Natural hazard		
Risk Sub-area	N/A		
Description	Forest fires (caused by humans) and extreme weather events (such as floods) may result in damage to or loss of forest cover, negatively affecting the progress and success of reforestation activities.		
Consequences	This risk can lead to under delivery against IRMF targets (hectares restored/maintained, tCO ₂ e), reprogramming of AWPB/procurement, and potential FAA/APR compliance and reputational exposure.		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	4 - High	12 - Medium High
Mitigation Measure(s)	A concise mitigation approach focuses on prevention, preparedness, and rapid recovery: deploy and refresh community brigades to manage fuels and maintain firebreaks; design restoration in mosaics with drought/fire tolerant species, plus soil–water conservation (micro-catchments, contour barriers) to reduce erosion and improve moisture retention; use the climate information platform (with CENAPRED) and strengthened SPPIF/SIVICOFF to issue operational fire weather and heavy rain alerts that trigger prepositioning of crews and equipment; embed rules via CRMIT (no-burn bylaws, grazing control) and link PSA/performance payments to risk reduction practices; maintain contingency budgets and nursery buffers (extra seedlings) to replant quickly after incidents; and track survival rates and losses through MRV/community brigades to prioritize timely rehabilitation and keep annual targets on schedule.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Comments	N/A		
Risk 7	Financial ML		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Money Laundering (ML) & Terrorist Financing (TF)		
Description	NA		
Consequences	NA		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Mitigation Measure(s)	NA		
Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Current Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Comments	N/A		
Risk 8	Financial S		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Sanctions		
Description	NA		
Consequences	NA		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Mitigation Measure(s)	NA		
Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low

Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 9	Financial F		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Fraud / Bribery & Corruption / Collusion and any other prohibited practice		
Description	NA		
Consequences	NA		
Inherent Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Mitigation Measure(s)	NA		
Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 10	Financial Col		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Conflict of interest		
Description	NA		
Consequences	NA		
Inherent Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Mitigation Measure(s)	NA		
Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 11	Security issues		
Risk Origin	External Factors		
Risk Area	Political		
Risk Sub-area	N/A		
Description	Organized crime in the Project Region may hinder or delay project implementation and/or put project personnel at risk.		
Consequences	Security incidents or credible threats from organized crime could restrict field access, force evacuations or suspension of works, and delay procurements and disbursements.		
Inherent Risk	Likelihood 3 - Likely	Impact 3 - Medium	Severity 9 - Medium High
Mitigation Measure(s)	Military intelligence of the Government of Mexico informs the CONAFOR, as well as all other government institutions, about the presence and the situation relative of organized crime in their respective region. CONAFOR's local field offices ("promotorías) obtain direct information about the security situation so that dangerous situations can be avoided and the security of CONAFOR's technical staff is granted.		
Residual Risk	Likelihood 2 - Possible	Impact 3 - Medium	Severity 6 - Medium
Current Residual Risk	Likelihood 2 - Possible	Impact 3 - Medium	Severity 6 - Medium
Comments	N/A		

D.2. Report risk incidents

If any risk (previously identified or not) has materialized, please capture it here as a risk incident.

(this section is confidential)

E. FINANCIAL INFORMATION

E.1. GCF financing

In addition to the financial report in the annex, update the table with relevant GCF financial data for each country and instrument, including amounts and allocation percentages.

Country	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
Mexico	Loans	USD	10	3.33	1.1	1.1	22%	78%
Mexico	Loans	USD	10	3.75	0.99	0.99	22%	78%
Mexico	Grants	USD	19.5	10.33	0.15	0.15	22%	78%
Total		USD	39.5	17.41	2.24	2.24	N/A	N/A

E.2. Co-financing

Please populate the table with relevant Co-financing data for each Co-financier and instrument, including amounts and allocation percentages.

Co-financier	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
IFAD	Loans	USD	38.45	0	7.69	25.07	22%	78%
Mexico	Grants	USD	13	0	0.98	1.63	22%	78%
Total		USD	51.45	0	8.67	26.7	N/A	N/A

E.3. Additional Finance Mobilised Beyond Approved Co-financing

Report the realised (cumulative value) and/or expected volume (Final Target) of private/public finance leveraged as a result of GCF involvement in the investment, in addition to and beyond any co-financing originally committed at approval. This datapoint shall be reported separately from official co-financing figures and is intended to capture the catalytic effect of GCF investments and support institutional learning.

GCF Policy: <https://www.greenclimate.fund/sites/default/files/document/policy-cofinancing.pdf>

No additional finance mobilized information provided.

File Name: 2025 grant-financial-progress-FP236 Mexico.xlsx

F. ENVIRONMENTAL & SOCIAL SAFEGUARDS, GENDER, and INDIGENOUS PEOPLES

This section provides an update against the ESS standards agreed as part of the Environmental and Social Action Plan (ESAP) and Environmental and Social Management Framework (ESMF), as well as Environmental and Social Management System (ESMS), Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), Indigenous Peoples Plan (IPP), Indigenous Peoples Plan Framework (IPPF), Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF) when applicable.

F.1. progress on key challenges and updates regarding Environmental and Social Safeguards

Key Environmental and Social Changes

Have there been any changes in the key environmental and social risks and impacts? If you tick 'Yes,' please provide further information.

Yes ☐ No ☒

Environmental and Social Safeguarding Updates

Have there been any change/update on environmental and social safeguarding? you tick 'Yes,' please provide further information.

Yes ☐ No ☒

F.2. Compliance with laws and regulations applicable to ESS. Gender and Indigenous Peoples.

Have there been any changes or updates regarding compliance with applicable laws and regulations of the country, as well as the relevant conditions or covenants under the FAA?

Yes ☐ No ☒

F.3. ESS standards implementation progress

Does this reporting period include any ESS standards-related activities or updates?

Yes ☒ No ☐

If you tick 'Yes', please provide further information to report on the progress made in complying with the requirements of the relevant ESS standards that were triggered during the approval of the funding proposal and during the reporting period, if any; and the GCF Indigenous Peoples Policy, if relevant, describing achievement and specifying details outlined in the tables below.

Activities implemented during the reporting period, including monitoring

During the reporting period, the project has systematically monitored compliance with the Environmental and Social Standards (ESS) triggered during its design, through the application of the Environmental and Social Management Framework (ESMF) matrix. These standards include: (ESS 1) assessment and management of environmental and social risks and impacts; (ESS 2) labor and working conditions; (ESS 3) resource efficiency and pollution prevention; (ESS 4) community health and safety; (ESS 6) biodiversity conservation and sustainable management of natural resources; and (ESS 7) Indigenous Peoples. To date, approximately 78% progress has been achieved in the implementation of mitigation measures, enabling the effective integration of environmental, social, and climate risk management into the project's operational processes, as well as strengthening information traceability and monitoring of compliance with these measures. Regarding risk management instruments, the project implements measures aligned with CONAFOR's Operating Rules, incorporating the Indigenous Peoples Plan (IPP), the Stakeholder Engagement Plan (SEP), the Gender Assessment and Action Plan (GAP), and the Grievance Redress Mechanism (GRM). These instruments enhance inclusion, effective participation, and the management of social risks, promoting the integration of Indigenous communities and vulnerable groups, particularly women. Additionally, the Free, Prior, and Informed Consent (FPIC) process is implemented through community assemblies, where available support, allocated resources, intervention modalities, and implementation mechanisms are transparently presented. Community participation is formalized through assembly validation and the signing of agreements by their representatives, ensuring respect for collective rights and informed decision-making.

Outputs during the reporting period

During the implementation period, significant progress was made in the application of the Environmental and Social Management Framework (ESMF), reflecting the effective integration of Environmental and Social Standards (ESS) into project activities. Regarding labor and working conditions (ESS2), capacities were strengthened through training activities targeting operational staff, local promoters, and beneficiaries. Topics included forest health, fire management, applicable regulations, certification, and occupational health and safety. Efforts to promote gender equality and inclusion were also implemented, benefiting more than 1,500 people. In terms of biodiversity conservation (ESS6), actions focused on restoration and sustainable ecosystem management, including over 2,550 hectares with soil conservation works, 33 payment for environmental services projects in Protected Natural Areas, and agroforestry systems implemented on more than 120 hectares. Forest certification was also promoted across more than 6,800 hectares. Regarding climate change (ESS1/ESS3), community resilience was strengthened with the use of climate data and the implementation of more than 280 restoration, forest protection, and environmental services initiatives. Finally, concerning Indigenous Peoples (ESS7), efforts were made to enhance participation, cultural relevance, and the implementation of Free, Prior, and Informed Consent (FPIC), ensuring informed decision-making processes within communities and compliance with safeguard standards.

Key environmental, social and gender issues, risks and impacts addressed during implementation

The project has made significant progress in managing various social, environmental, and climate risks, in alignment with the GCF Performance Standards. In the social sphere (ESS2), actions have been initiated to address gender gaps and structural barriers, promoting the participation of women and vulnerable groups, while occupational health and safety protocols for forestry activities have been established. These actions are being strengthened through technical training processes and preventive measures. Regarding Indigenous Peoples (ESS7), inclusive and culturally appropriate processes have been promoted, initiating the application of Free, Prior, and Informed Consent (FPIC). In the environmental component (ESS6), restoration and soil conservation actions are being implemented to address deforestation risks derived from unsustainable practices. Finally, in response to climate risks (ESS1), efforts are underway to strengthen community resilience against threats such as forest fires and extreme weather events. Collectively, these actions form the foundation for a risk management approach in continuous improvement and for the long-term sustainability of the project.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

NA

Remarks/Notes

F.4. Sub-projects information	
Have any subprojects been implemented?	Yes ☒ No ☐
Title of the sub-project	All subprojects implemented fell under category C.
ESS management plan/instrument in place	
NA	
Stakeholder engagement plan in place	
NA	
Activities/engagement conducted with Indigenous peoples	
NA	
Key environmental, social and gender issues, risks and impacts addressed during this reporting period	
NA	
Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention	
NA	

F.5. Implementation of the stakeholder engagement plan	
Were any actions undertaken to increase engagement of relevant stakeholders in the project, particularly regarding environmental, social, and gender elements?	Yes ☒ No ☐
Activities implemented during the reporting period	
The project implemented stakeholder engagement and transparency measures in line with the Stakeholder Engagement Plan, ensuring inclusive and informed participation in decision-making processes. Participatory mechanisms included community assemblies, workshops, and meetings with beneficiaries, local authorities, and relevant stakeholders, supporting activity validation and participatory monitoring. Stakeholder analysis, communication, and consultation processes were carried out using culturally appropriate and gender-responsive approaches. Transparency was strengthened through the dissemination of calls for proposals under the Rules of Operation (ROP) via the Official Gazette of the Federation, the CONAFOR official website, and local and community media. Beneficiary results were publicly disclosed, enhancing accountability and access to information. Capacity-building activities, including training, regional meetings, and awareness-raising, were implemented to strengthen stakeholder engagement. The project promoted the inclusion of women, Indigenous Peoples, and vulnerable groups. In Indigenous communities, Free, Prior, and Informed Consent (FPIC) processes were applied. Feedback mechanisms were also established to integrate stakeholder inputs, supporting adaptive, transparent, and participatory project management.	
Dates and venues of engagement activities	
There is currently no systematized record of the specific dates and locations of stakeholder engagement activities during the reporting period. This highlights the need to strengthen documentation, monitoring, and traceability mechanisms. Developing standardized reporting formats and monitoring tools is identified as a key improvement area. Strengthening these systems will enhance the quality of future reports, improve transparency, and facilitate verification of the implementation of the Stakeholder Engagement Plan.	
Sex-disaggregated data on stakeholder engagement participants (male + female = total)	

For the reporting period, a specific and consolidated record of participants disaggregated by sex is not available for stakeholder engagement. However, as complementary information, the project has aggregated data on its direct beneficiary population, comprising 10,847 people, of whom 7,017 are men and 3,830 are women; additionally, 939 are youth and 7,884 belong to Indigenous Peoples. Regarding the participating organizations, the State Forestry Councils of Oaxaca, Michoacán, and Guerrero have been identified. These councils are composed of various social and academic actors and are part of the institutional coordination body. It is also recognized that there is a need to strengthen registration and systematization mechanisms in order to provide, in future reporting periods, more detailed information on participation, including its disaggregation by sex and type of organization.
Information shared with stakeholders
During the implementation process, relevant information was shared with stakeholders to ensure informed participation and access to project benefits. This included the dissemination of the Rules of Operation (ROP) and active calls for proposals, eligibility criteria, procedures for accessing support, and the publication of beneficiary selection results. In addition, information on project objectives, scope, activities, and implementation progress was communicated. Content related to gender equality, social inclusion, and the participation of Indigenous Peoples was also promoted, incorporating culturally appropriate approaches.
Outputs including issues raised and addressed during the reporting period
The main issues raised by stakeholders were related to access to project support, transparency in beneficiary selection, inclusion of vulnerable groups, and understanding of project processes. Inclusive participatory processes were promoted, with a focus on women, Indigenous Peoples, and other vulnerable groups. Through meetings, workshops, and community assemblies, access to information and dialogue was facilitated. Feedback mechanisms enabled the incorporation of stakeholder inputs, strengthening transparency, inclusion, and adaptive project management.
Remarks/Notes
N/A

F.6. ESS forward planning and lessons learned	
Are there any planned ESS activities for the next reporting period or lessons learned to share from this period?	Yes ☒ No ☐
Provide planned activities on environmental and social safeguards for the next reporting period	
ESS Activities for the Next Reporting Period (2026): 1. Development of technical factsheets for mitigation measures in coordination with the Monitoring and Evaluation (M&E) area, to improve information traceability and standardize records. Deliverables will include the factsheets themselves and monitoring reports integrated into the ESMF matrix. 2. Dissemination of best practices on health and safety, eradication of child and forced labor, adaptive silviculture, carbon forest projects, and regulatory frameworks for infrastructure in high-risk zones (seismic and extreme weather events). 3. Implementation of a capacity-building program targeting technical staff, beneficiaries, and operational teams on environmental and social risk management, occupational safety, forest management, climate change, and fire management. 4. Optimization of the Grievance Redress Mechanism (GRM) through process improvements, staff training, expansion of communication channels, and targeted outreach. These actions will enhance inclusion and participation of Indigenous peoples, women, and other vulnerable groups. 5. Strengthening of Free, Prior and Informed Consent (FPIC) implementation by reinforcing follow-up through assembly minutes as verification means for FPIC compliance, and updating the mitigation measure descriptions and verification indicators within the ESMF matrix. 6. Enhancement of the Stakeholder Engagement Plan by defining a clear strategy to promote effective participation of affected and interested parties, as well as systematizing and documenting CONAFOR's current outreach actions carried out through the dissemination of the Rules of Operation (ROP).	
Provide any success stories, good practices, or challenges, including those related to the engagement of Indigenous peoples and local communities, promoting Indigenous knowledge and benefits to Indigenous peoples and local communities	

The project fosters the promotion of Indigenous Peoples' knowledge and languages as a central element of engagement. For instance, the project has supported the translation and interpretation of operational rules into Indigenous languages and their dissemination through culturally relevant channels such as Indigenous community radio systems. This not only improves access to information but also strengthens linguistic diversity and ensures that project processes are understood and owned by Indigenous communities. Good practices include working through existing governance and communication structures and tailoring outreach to local contexts—for example, using radio and community-based platforms to reach wider audiences. Activities carried out in 2025, such as workshops on linguistic diversity, virtual sessions on translation and interpretation, and events celebrating Indigenous Peoples, further contributed to strengthening cultural identity and participation. A persistent challenge remains ensuring that engagement goes beyond information-sharing toward fully inclusive, continuous participation. However, the combination of culturally appropriate communication tools, respect for Indigenous Peoples' practices and languages, and sustained engagement efforts demonstrates a strong pathway for promoting Indigenous Peoples' knowledge and delivering tangible benefits to communities.

F.7. Grievance Redress Mechanism - confirmation & grievances

Please indicate whether the project can confirm the following statement:

Fully functional and operational Grievance Redress Mechanisms are in place, have been communicated to and are accessible by all stakeholders applicable to this project

☒ The accredited entity confirms the statement above at project-level, AE-level, and GCF-level grievance mechanisms.

☐ The accredited entity does not confirm the statement above

Have there been any grievances received during the reporting period?

Yes ☐ No ☒

NA

F.8. Implementation of activities and actions agreed in the Gender Action Plan

The project startup of GCF funding took place in October 2025. Given the short span of time, many of the GAP activities will start implementation on 2026. Only six activities included in the GAP are being reported in this section. The full length of activities will be reported in 2027. CONAFOR has carried out complementary activities on gender and social inclusion within its institutional framework, and they provide enabling conditions for the implementation of the Balsas GAP. The supervision mission in February 2026, observed that mechanisms and instruments are in place to promote gender equality and women empowerment. A specialist has been hired, and the GAP is under process of alignment of indicators and budget. A key action agreed for 2026 on the GAP will be to work together with IFAD team to consolidate the programmatic and budgetary alignment with the Balsas project. This alignment will be presented in the next progress report.

Are there GAP implementation activities or progress to report for this period?

Yes ☒ No ☐

Summary on Activities and Actions agreed in the Gender Action Plan (max. 200 words)

Provide a progress report on the gender action plan developed during project preparation stage for the reporting period. This will primarily be a report on activities undertaken and results achieved because of completion of an activity. Further, it should also indicate if the project is on track to achieving the intended outcome(s). The reporting should be done for activities, targets and indicators already set in the action plan including on vulnerable groups (youth, poor, female heads of households, etc.) as would have been identified in the gender analysis and action plan. If activities or targets are not achieved as per plan, reasons should be provided, and recourse action should be proposed. Please include reporting on any changes or deviations. Include a Report on implementation challenges and lessons learnt and how these will inform

on-going actions and what action will be taken by when to address the challenges faced. Incorporate both quantitative data and qualitative reports on the performance of such actions, and on progress on actions identified.

GAP Activity	
Activity 1.1.2. Women, as members of the Basin, Sub-basin and Ethnic committees participate in the discussion making and contribute with their skills and knowledge to identify priority areas of attention at the micro-basin level.	
Indicator	
% of the local members of the committees are women	
Rating of Indicator	AMBER (needs attention to be met)
Baseline	0
Target, including sex-disaggregation where applicable	40
Annual progress update (Reporting Period)	
As of 2025, women's participation in territorial planning processes stands at 34.6%. CONAFOR proposed to maintain this percentage within the committees.	
Cumulative progress update (Entire period)	
NA	
Budget	244
Currency	USD
Timeline (Planned completion of activity)	15 December 2026
Responsibility	
CONAFOR's Gender Unit	
Remarks/Notes	
Women's participation across Basin/Sub basin/Ethnic committees is uneven; several committees are below the 2025 baseline of 34.6% that CONAFOR proposed to maintain, limiting women's role in micro basin priority setting. Mitigation: adopt a ≥35% floor per committee; fast track onboarding; targeted outreach with women leaders; An internal agreement will be reached with the CONAFOR department responsible for watershed committees to disaggregate the data and ensure that 35% of participants are women.	
GAP Activity	
Activity 1.1.4 Strengthen and operationalize criteria for adaptation to climate change and inclusion for women in institutional program procedures.	
Indicator	

Number of new operational proposals that incorporate affirmative actions to improve the participation of women in the production of value chains	
Rating of Indicator	GREEN (on track to be met)
Baseline	0
Target, including sex-disaggregation where applicable	3
Annual progress update (Reporting Period)	
In 2025, the project finalized the 2026 Operating Rules, introducing three new support modalities to strengthen inclusion and equity: (i) a Women's Project Incubator, (ii) a technical support model with a gender perspective, and (iii) Affirmative Action for Care to Promote Equality. Under these rules, care related activities may represent up to 20% of project funding, recognizing unpaid care burdens and enabling women's effective participation. Women serving in fire brigades are explicitly eligible for these supports beginning with the 2026 implementation cycle.	
Cumulative progress update (Entire period)	
NA	
Budget	141
Currency	USD
Timeline (Planned completion of activity)	31 July 2026
Responsibility	
Supply and Market Transformation Management Unit (GACM) Gender and Inclusion Unit (UGI, CONAFOR)	
Remarks/Notes	
The 2026 Operating Rules were finalized on schedule (2025) with the three new modalities (Women's Project Incubator, gender responsive technical support, and Affirmative Action for Care) and the care cap set at up to 20%; eligibility for women in fire brigades was confirmed. Mitigation: none beyond routine monitoring and data quality checks; early 2026 onboarding plan in place. Progress: rules approved and circulated; guidance notes drafted; budget tags configured; dissemination plan mapped to 10 intervention and 11 priority areas; no slippages recorded.	
GAP Activity	
Activity 1.2.1 Communication and awareness campaigns will be carried out to disseminate calls for project proposals with gender considerations.	
Indicator	
Number of Gender-sensitive campaigns carried out. Number Simplified format for the submission of proposal profiles available to women (GAP: no budgetary implication/Technical TORs/CONAFOR application forms)	
Rating of Indicator	GREEN (on track to be met)
Baseline	0

Target, including sex-disaggregation where applicable	1
Annual progress update (Reporting Period)	
In 2025, the project completed the preparatory steps for an outreach and communication effort. Once the related contracts are finalized, the team will design and implement a campaign to increase public participation—with a special focus on women, young people, and representatives of vulnerable groups—primarily centered on (i) support activities financed by the donation, (ii) the project's Rules of Operation, and (iii) specific calls for proposals. The campaign will target the 10 committed intervention areas and the 11 priority areas; design is planned for 2026, with implementation beginning in late 2026 and continuing into early 2027.	
Cumulative progress update (Entire period)	
NA	
Budget	28,000
Currency	USD
Timeline (Planned completion of activity)	31 December 2026
Responsibility	
Social Communication Area (CONAFOR) Gender and Inclusion Unit (UGI, CONAFOR)	
Remarks/Notes	
The activity is on track: in 2025 the project completed all preparatory steps for the gender responsive outreach/communication campaign; contracts are in finalization, the focus (women, youth, vulnerable groups) and content pillars (donation financed supports, Rules of Operation, and calls for proposals) are defined, and coverage targets (10 committed intervention areas and 11 priority areas) are set. Mitigation: none beyond routine monitoring—maintain procurement tracking, pre clear key messages/templates, and early stakeholder scheduling to protect the 2026 design and late 2026/early 2027 rollout.	
GAP Activity	
Activity 1.3.1: Capacity development programs for extensionists and local facilitators with measures for the participation of women.	
Indicator	
% of female participants	
Rating of Indicator	GREEN (on track to be met)
Baseline	0
Target, including sex-disaggregation where applicable	40
Annual progress update (Reporting Period)	
In September 2025, the webinar “National Strategy on Gender and Inclusion in the Forestry Sector (ENGISF) 2025–2030: Toward Gender-Sensitive Technical Assistance” was held for technical advisors, with the aim of promoting technical assistance that incorporates a gender perspective.	

A training needs assessment was conducted, with the participation of 118 CONAFOR staff members. This input was used to develop the Training and Capacity-Building Program on Gender Equality and Inclusion, which is intended to be taken by the Project's Local Operational Liaisons, extension workers, and technical advisors in 2026.

Cumulative progress update (Entire period)

NA

Budget	66
Currency	USD
Timeline (Planned completion of activity)	31 December 2026

Responsibility

Coordinación de Producción y Productividad (CGPP)
Unidad de Educación y Desarrollo Tecnológico (UEDT)
Gerencia de Manejo Forestal Comunitario (GMFC)
Unidad de Género e Inclusion (UGI)

Remarks/Notes

2025 milestones were met: the ENGISF 2025–2030 webinar (Sept 2025) trained technical advisors on gender sensitive assistance; a training needs assessment with 118 CONAFOR staff informed a Gender Equality & Inclusion Training Program for Local Operational Liaisons, extension workers, and technical advisors (delivery in 2026). Mitigation: none beyond routine monitoring—lock the 2026 calendar and trainers, pre clear materials, maintain a standby cohort to absorb dropouts, and track women's enrollment/completion to ensure participation measures are achieved.

GAP Activity

1.3.2 Support and creation of forest protection brigades and local climate change resilience facilitators.

Indicator

Number of people recruited into brigades and outreach services that strengthen local capacity to improve climate change adaptation, resilience, and inclusion

Rating of Indicator	GREEN (on track to be met)
Baseline	0
Target, including sex-disaggregation where applicable	300

Annual progress update (Reporting Period)

Support was provided for the following brigades:

- Fire Management: 184 people; of whom 139 are reported to be from Rural Brigades (28 women and 111 youth) and 45 from Protection Brigades (23 women and 22 youth)
- Forest Health: 198 people (27 women and 46 youth)
- Community Forest Management: 186 people (47 women and 58 youth)

In the second half of 2025, a proposal was finalized to form Climate Change Resilience Brigades, which are intended to be led by women. The brigades will be composed primarily of young women and will have a specific training program tailored to their activities. It is anticipated that by 2026, three brigades will be formed to operate for four

months using grant funds; subsequently, the plan is to secure their employment for the remaining months (through July 2027) through the compensation scheme. During the first half of 2026, the guidelines and specific activities they will carry out will be finalized.

Cumulative progress update (Entire period)

NA

Budget	0
Currency	USD
Timeline (Planned completion of activity)	30 September 2026

Responsibility

Coordinación General de Conservación y Restauración (CGCR) – Gerencia de Manejo de Fuego (GMF)

Remarks/Notes

Brigade support met/exceeded 2025 targets: Fire Management (184 people: 51 women, 133 youth), Forest Health (198: 27 women, 46 youth), and Community Forest Management (186: 47 women, 58 youth), demonstrating strong gender/youth inclusion. A women led Climate Change Resilience Brigades proposal was finalized, with three brigades slated for 2026 (four months via grant funds, then continued under the compensation scheme through July 2027); guidelines/activities will be completed 1H 2026.
Mitigation: routine monitoring only—secure 2026 financing and procurement, finalize SOPs/training, coordinate hiring with OREs, pre position PPE/insurance, and track % women/youth to sustain inclusion.

GAP Activity

Activity 2.2.1 Training in production practices and/or technologies

Indicator

% of women trained on production practices and/or technologies

Rating of Indicator	GREEN (on track to be met)
Baseline	0
Target, including sex-disaggregation where applicable	40

Annual progress update (Reporting Period)

In 2025, 187 people received training in production practices and/or technologies, 97 of whom were women. Additionally, in 2025, support was provided to 31 rural organizations, ejidos, and communities that have implemented productive projects in the areas of supply, industrialization, and business strengthening, 7 of which are led by women. Cumulatively, 2,953 people have been trained in this area, of whom 1,778 are men (60%), 1,175 are women (40%), and 121 are young people (4%). Cumulatively, as of 2025, 78 productive projects have received support.

Cumulative progress update (Entire period)

NA

Budget	0
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Currency	USD
Timeline (Planned completion of activity)	15 December 2026
Responsibility	
Production and Productivity Coordination (CGPP) Education and Technological Development Unit (UEDT)	
Remarks/Notes	
2025 targets were met: 187 people trained in production practices/technologies (97 women; ~52%), and 31 rural organizations/ejidos/communities supported (7 women led). Cumulatively, 2,953 people trained (60% men, 40% women, 4% youth) and 78 productive projects supported, showing strong uptake and gender inclusion. Mitigation: none beyond routine monitoring. To sustain performance, we will lock the 2026 training calendar, maintain women/youth participation thresholds, provide post training coaching to boost adoption, and track results (practice adoption and business upgrades).	

F.9. Gender Action Plan implementation review

Is the gender expert for the project/programme engaged to support the implementation of the gender action plan? If engaged previously, please advise if the gender expert has been retained by the project/programme, including plans to engage another expert if a previously engaged expert has left the project/programme.	Yes ☒ No ☐
<i>In August 2025, the Gender Specialist for Social Participation and Local Development was hired. Her contract is multi-year and expires in July 2026, with the possibility of extension. Given that CONAFOR's Gender and Inclusion Unit has a small staff, she has played a key role in launching the activities outlined in the GAP for 2025 and will contribute to the improved implementation of the GAP in the following years.</i>	
Has the implementation of gender action plan/s being implemented according to Funding Activity Agreements and GCF's Updated Gender Policy? Please ensure that the budget is included in the reporting above if it was indicated in the approved or updated gender action plan.	Yes ☒ No ☐
<i>Yes. Implementation of the Gender Action Plan (GAP) follows the Funded Activity Agreement (FAA) and the GCF Updated Gender Policy & Gender Action Plan requirements, which mandate a project level gender assessment, a time bound/indicator based and budgeted GAP, and sex disaggregated monitoring throughout the project cycle. How the GAP is being implemented according to agreements/policy: • Project level GAP in place: FP236's approved GAP operationalizes findings from the gender analysis into actions, indicators, roles, and timelines, consistent with the Updated Gender Policy. • Budgeting: As reported in this APR, gender actions are costed in the AWPB and tracked against activity lines. In line with the Operating Rules finalized in 2025, care related measures are eligible (up to 20%), including for women in fire brigades, ensuring resources for participation and retention. • Capacity, participation & outreach: 2025 delivery included the ENGISF 2025–2030 webinar for advisors, a training needs assessment (118 staff), design of a Gender Equality & Inclusion Training Program (for 2026), and preparation of a gender responsive outreach campaign focused on women, youth and vulnerable groups—advancing GAP results areas on capacity, access and participation. • Monitoring & compliance: GAP indicators are sex disaggregated and reported via the APR; compliance is anchored in the GCF policy, which requires project level GAPs and regular reporting to evidence progress. In summary, the GAP is on track, budgeted, and implemented in accordance with the FAA and the GCF Updated Gender Policy/GAP, with activities and expenditures captured in the AWPB and verified through the APR and evidence repository</i>	
Are the planned activities, targets, indicators, timelines, etc. on track during the reporting period?	Yes ☒ No ☐
<i>By the end of 2025, the following are reported: 1.- Operating Rules 2025: Integration of affirmative action measures into the various support programs and modalities, as well as the creation of a new support modality to promote women's projects within the Cuenca Balsas Project. 2.- National Strategy on Gender and Inclusion in the Forestry Sector 2025-2030: A CONAFOR regulatory instrument that provides guidelines for mainstreaming the gender and inclusion perspective in all activities within the institution and in field operations 3.- Agreement with the Agrarian Prosecutor's Office: In July 2025, CONAFOR and the Agrarian Prosecutor's Office signed a framework collaboration agreement that will enable joint actions in ejidos, agricultural communities, towns, and indigenous communities across the country. 4.-</i>	

<i>Gender-balanced composition of the National Forestry Council: 50% women and 50% men: In 2025, CONAFOR promoted the establishment of a gender-balanced composition for the CONAF, which will ensure women's participation and decision-making in the forestry sector 5.- CONAFOR Institutional Program 2025–2030 (PIC): CONAFOR's institutional program includes a gender and social inclusive perspective</i>	
Were there any revisions of the approved GAP during the reporting period? Please submit the updated GAP in Annex section of this APR and ensure that the updated GAP has details on each change.	Yes ☐ No ☒
NA	
Are the reported results on track to contribute to meeting the sex-disaggregated targets for the direct beneficiaries in the funding proposal, if applicable?	Yes ☒ No ☐
Yes—overall on track. The project is implementing a budgeted, time bound Gender Action Plan (GAP) and reporting sex disaggregated indicators in line with the GCF Updated Gender Policy/GAP (B.24/12) and the Funded Activity Agreement (FAA) now in force for FP236. Progress toward sex disaggregated beneficiary targets (2025): • Training (Activity 2.2.1): 187 people trained, 97 women (~52%); cumulative 2,953 trained (40% women; 4% youth). (APR data) • Productive projects: 31 organizations supported in 2025 (7 women led); cumulative 78 projects. (APR data) • Brigades (Activity 1.3.2): Fire Management 184 (incl. 51 women, 133 youth); Forest Health 198 (27 women, 46 youth); Community Forest Management 186 (47 women, 58 youth). (APR data) • Participation in territorial planning (Activity 1.1.2): 34.6% women baseline maintained as portfolio average, though some committees are below this threshold (rated AMBER); a ≥35% floor per committee and targeted facilitation are underway. (APR data) These results contribute to the FP's direct beneficiary objectives (project wide target population 201,867 direct; 3,107,344 indirect) and to GAP outcomes on women's participation, access to services, and leadership. Conclusion: With green rated delivery in outreach design and capacity building, and targeted actions where committee participation lags, the portfolio remains on track to meet sex disaggregated beneficiary targets set in the Funding Proposal/GAP, under GCF policy and the FAA.	
Has the project/programme experienced any implementation challenges that affect gender-related activities? If yes, please include lessons learnt and how they are informing ongoing actions.	Yes ☐ No ☒
NA	
Were there any best practices identified, or case studies prepared on benefits/activities undertaken as agents of action by women and the female heads of households during the reporting period? Please share any case studies in the text boxes or in the Annex section of the APR.	Yes ☐ No ☒
NA	
Provide planned activities on gender elements for the next reporting period	

Planned gender-related activities for the next reporting period (2026) focus on strengthening women's participation, leadership, and benefits across governance, capacity building, livelihoods, finance, and information systems. Specifically, the POA 2026 plans to: (i) operationalize CRMIT/territorial processes and monitor women's participation (target 15% women in territorial ordering/community development processes); (ii) advance gender-affirmative policy instruments (reach 6/14 = 43% of laws/regulations/policies/strategies incorporating affirmative actions for women, plus 1 additional policy instrument proposed); (iii) scale gender-responsive capacity development (train 83 extensionists/promoters); (iv) support women's economic leadership in value chains (support 4 producer organizations, 2 women-led); (v) expand women's access to finance (targets include 27 women accessing savings services and 11 women accessing credit); (vi) implement 2 technologies/practices to reduce women's workload; and (vii) as climate-information platforms roll out, track the % of women trained to use them.

G. ANNEXES (UPLOADED)
Annex 1: GHG emission reduction calculation methodology (for projects reporting GHG emission reductions) and details on the calculations of the annual and cumulative value.
File Name: Annex 1_Balsas.docx
Annex 2: Communication and visibility material
File Name: Annex 2.docx
Annex 3: List of grievances received
No annexes provided.
Annex 4: Procurement information
No annexes provided.
Annex 5: Updated implementation timetable for the Funded Activity for the following year
No annexes provided.
Annex 6: Updated Gender Assessment and/or Action Plan
No annexes provided.
Additional Annexes (if applicable)
File Name: BALSAS - POA 2026.docx File Name: Cuenca_Balsas_POA 2026 - v2.0.xlsx

